

ORDER FOR SUPPLIES OR SERVICES										PAGE 1 OF 7		
1. CONTRACT PURCH ORDER/AGREEMENT NO. <div style="border: 1px solid black; padding: 2px;">DAAE07-96-D-T024</div>			2. DELIVERY ORDER/CALL NO. <div style="border: 1px solid black; padding: 2px;">0153</div>		3. DATE OF ORDER/CALL (YYYYMMDD) <div style="border: 1px solid black; padding: 2px;">2003DEC19</div>		4. REQUISITION/PURCH REQUEST NO. <div style="border: 1px solid black; padding: 2px;">SEE SCHEDULE</div>		5. PRIORITY <div style="border: 1px solid black; padding: 2px;">DOA4</div>			
6. ISSUED BY TACOM WARREN BLDG 231 AMSTA-AQ-AHPC SHIRLEY GHARAGOZLOO (586)574-7163 WARREN, MICHIGAN 48397-5000 EMAIL: GHARAGOS@TACOM.ARMY.MIL HTTP://CONTRACTING.TACOM.ARMY.MIL			CODE <div style="border: 1px solid black; padding: 2px;">W56HZV</div>		7. ADMINISTERED BY (If other than 6) DCMA INDIANAPOLIS EMMETT J. BEAN CENTER 8899 E. 56TH ST. INDIANAPOLIS, IN 46249-5701			CODE <div style="border: 1px solid black; padding: 2px;">S1501A</div>		8. DELIVERY FOB  <input type="checkbox"/> DESTINATION <input checked="" type="checkbox"/> OTHER (See Schedule if other)		
9. CONTRACTOR  CUMMINS ENGINE COMPANY INC 500 JACKSON STREET M/C 80960 COLUMBUS, IN. 47201-6258			CODE <div style="border: 1px solid black; padding: 2px;">15434</div>		FACILITY <div style="border: 1px solid black; padding: 2px;"></div>		10. DELIVER TO FOB POINT BY (Date) (YYYYMMDD)  SEE SCHEDULE			11. X IF BUSINESS IS <input type="checkbox"/> SMALL <input type="checkbox"/> SMALL DISADVANTAGED <input type="checkbox"/> WOMAN-OWNED		
NAME AND ADDRESS  TYPE BUSINESS: Large Business Performing in U.S.					12. DISCOUNT TERMS  13. MAIL INVOICES TO THE ADDRESS IN BLOCK See Block 15							
14. SHIP TO SEE SCHEDULE			CODE <div style="border: 1px solid black; padding: 2px;"></div>		15. PAYMENT WILL BE MADE BY DFAS - COLUMBUS CENTER DFAS-CO/NORTH ENTITLEMENT OPERATION P.O. BOX 182266 COLUMBUS OH 43218-2266				CODE <div style="border: 1px solid black; padding: 2px;">HQ0337</div>		MARK ALL PACKAGES AND PAPERS WITH IDENTIFICATION NUMBERS IN BLOCKS 1 AND 2	
16. TYPE OF ORDER		DELIVERY/ CALL <input checked="" type="checkbox"/>		THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.								
PURCHASE				Reference your <input type="checkbox"/> Oral <input type="checkbox"/> Written Quotation _____, Dated _____. furnish the following on terms specified herein.								
ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.												
<div style="display: flex; justify-content: space-between;"> <div>NAME OF CONTRACTOR</div> <div>SIGNATURE</div> <div>TYPED NAME AND TITLE</div> <div>DATE SIGNED (YYYYMMDD)</div> </div> <div style="margin-top: 10px;"> <input checked="" type="checkbox"/> If this box is marked, supplier must sign Acceptance and return the following number of copies:         </div>												
17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE  SEE SCHEDULE												
18. ITEM NO.		19. SCHEDULE OF SUPPLIES/SERVICE				20. QUANTITY ORDERED/ ACCEPTED*		21. UNIT	22. UNIT PRICE		23. AMOUNT	
		SEE SCHEDULE CONTRACT TYPE: Fixed-Price Economic Price Adjustment  KIND OF CONTRACT: Supply Contracts and Priced Orders										
* If quantity accepted by the Government is same as quantity ordered, indicate by X. If different, enter actual quantity accepted below quantity ordered and encircle.					24. UNITED STATES OF AMERICA ELLEN DENNIS /SIGNED/ DENNISE@TACOM.ARMY.MIL (586)574-8056 BY: _____ CONTRACTING/ORDERING OFFICER					25. TOTAL \$2,078,266.00		
27a. QUANTITY IN COLUMN 20 HAS BEEN <input type="checkbox"/> INSPECTED <input type="checkbox"/> RECEIVED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO CONTRACT EXCEPT AS NOTED _____												
b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE						c. DATE (YYYYMMDD)		d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE				
e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE						28. SHIP. NO.		29. D.O. VOUCHER NO.		30. INITIALS		
f. TELEPHONE NUMBER		g. E-MAIL ADDRESS				<input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL		32. PAID BY		33. AMOUNT VERIFIED CORRECT FOR		
36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT.						31. PAYMENT  <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL				34. CHECK NUMBER		
a. DATE (YYYYMMDD)		b. SIGNATURE AND TITLE OF CERTIFYING OFFICER								35. BILL OF LADING NO.		
37. RECEIVED AT		38. RECEIVED BY (Print)		39. DATE RECEIVED (YYYYMMDD)		40. TOTAL CONTAINERS		41. S/R ACCOUNT NUMBER		42. S/R VOUCHER NO.		

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0202	<p>SUPPLIES OR SERVICES AND PRICES/COSTS</p> <p>NSN: 2815-01-399-6801 FSCM: 19207 PART NR: 57K1880 SECURITY CLASS: Unclassified</p>				
0202AA	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: ENGINE,DIESEL PRON: EH44E027EH      PRON AMD: 01      ACRN: AA AMS CD: 060015</p> <p>P/N'S; V903-T295RXC (REFERENCE ONLY) 57K1880 (REFERENCE ONLY)</p> <p>REMANUFACTURE/UPGRADE FROM CUMMINS 903-295PLAC0 TO CUMMINS 903-295PBAC0</p> <p><u>OR</u></p> <p>REMANUFACTURE CUMMINS 903-295PBAC0 TO CUMMINS 903-295PBAC0</p> <p>TO BE RETURNED IN A REFURBISHED METAL CONTAINER FOR USE IN THE M9 ACE.</p> <p>THIS IS A REMANUFACTURE/UPGRADE EFFORT. THE GOVERNMENT WILL BE PROVIDING THE CONTRACTOR WITH CORE. PRICE INCLUDES UPGRADE TO 200 AMP ALTERNATOR WHERE NEEDED AND REFURBISHMENT OF PRM-1712 CONTAINER.</p> <p>ENGINES NOT REQUIRING UPGRADE OR CORE ALTERNATOR REPLACEMENT ARE TO BE INVOICED AT A REDUCED UNIT PRICE.</p> <p>ALTERNATOR NSN 2920-01-420-9968 IS AN ACCEPTABLE OPTION FOR THE 200 AMP CONVERSION. ENGINES MAY BE SHIPPED WITHOUT THE SPRING COUPLER COMPONENT P/N 3063808.</p> <p>(End of narrative C001)</p> <p><u>Packaging and Marking</u> UNIT PACK: 001</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin      ACCEPTANCE: Origin</p>	50	EA	\$ 41,565.32000	\$ 2,078,266.00

Name of Offeror or Contractor: CUMMINS ENGINE COMPANY INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																												
	<p>PRM-1712 Containers will be refurbished to TB-9-289. Instructions regarding special marking for rebuilt engines will NOT apply to remanufactured engines.</p> <p>Marking of exterior pack to be shown in accordance with MIL-STD-129, Revision M.</p> <p>(End of narrative E001)</p> <p>The place of performance and the inspection/acceptance point for the finished product (Engine in Container) is as follows:</p> <p>Indiana Research Institute 4571 Long Road Columbus, IN 47203</p> <p>(End of narrative F001)</p> <p><u>Deliveries or Performance</u></p> <table><tr><td>DOC</td><td>SUPPL</td><td></td><td></td><td></td><td></td></tr><tr><td><u>REL CD</u></td><td><u>MILSTRIP</u></td><td><u>ADDR</u></td><td><u>SIG CD</u></td><td><u>MARK FOR</u></td><td><u>TP CD</u></td></tr><tr><td>001</td><td>W56HZV3346U479</td><td>W25G1V</td><td>J</td><td></td><td>1</td></tr><tr><td><u>DEL REL CD</u></td><td><u>QUANTITY</u></td><td><u>DEL DATE</u></td><td></td><td></td><td></td></tr><tr><td>001</td><td>25</td><td>31-DEC-2004</td><td></td><td></td><td></td></tr></table> <p>FOB POINT: Origin</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (W25G1V) XR W0ML USA DEP TOBYHANNA SQUIRE STREET ASARS 1C BAY 5 TOBYHANNA ARMY DEPOT PA 18466-5079</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> DAAE07-96-D-T024/0153</p> <table><tr><td>DOC</td><td>SUPPL</td><td></td><td></td><td></td><td></td></tr><tr><td><u>REL CD</u></td><td><u>MILSTRIP</u></td><td><u>ADDR</u></td><td><u>SIG CD</u></td><td><u>MARK FOR</u></td><td><u>TP CD</u></td></tr><tr><td>002</td><td>W56HZV3346U480</td><td>W45G19</td><td>J</td><td></td><td>1</td></tr><tr><td><u>DEL REL CD</u></td><td><u>QUANTITY</u></td><td><u>DEL DATE</u></td><td></td><td></td><td></td></tr><tr><td>001</td><td>25</td><td>31-DEC-2004</td><td></td><td></td><td></td></tr></table> <p>FOB POINT: Origin</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (W45G19) XR W390 RED RIVER MUNITIONS CTR HIGHWAY 82 WEST CL V TPF GATE 44 BLDG 184 TEXARKANA TX 75507-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> DAAE07-96-D-T024/0153</p>	DOC	SUPPL					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W56HZV3346U479	W25G1V	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>				001	25	31-DEC-2004				DOC	SUPPL					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	002	W56HZV3346U480	W45G19	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>				001	25	31-DEC-2004							
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Name of Offeror or Contractor: CUMMINS ENGINE COMPANY INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<p>DELIVERY ACCELERATION IS ACCEPTABLE, AND PARTIAL DELIVERIES ARE ENCOURAGED PROVIDED THERE WILL BE NO ADDITIONAL COST TO THE GOVERNMENT. OPTIMUM DELIVERY WOULD BE 30 JUN 2004.</p> <p>(End of narrative F002)</p>				

CONTINUATION SHEET	Reference No. of Document Being Continued		Page 5 of 7
	PIIN/SIIN	DAAE07-96-D-T024/0153	MOD/AMD
Name of Offeror or Contractor: CUMMINS ENGINE COMPANY INC			

INSPECTION AND ACCEPTANCE

	Regulatory Cite	Title	Date
1	52.246-15	CERTIFICATE OF CONFORMANCE	APR/1984

(a) When authorized in writing by the cognizant Contract Administration Office (CAO), the Contractor shall ship with a Certificate of Conformance any supplies for which the contract would otherwise require inspection at source. In no case shall the Government's right to inspect supplies under the inspection provisions of this contract be prejudiced. Shipments of such supplies will not be made under this contract until use of the Certificate of Conformance has been authorized in writing by the CAO, or inspection or inspection and acceptance have occurred.

(b) The Contractor's signed certificate shall be attached to or included on the top copy of the inspection or receiving report distributed to the payment office or attached to the CAO copy when contract administration (Block 10 of the DD Form 250) is performed by the Defense Contract Administration Services. In addition, a copy of the signed certificate shall also be attached to or entered on copies of the inspection or receiving report accompanying the shipment.

(c) The Government has the right to reject defective supplies or services within a reasonable time after delivery by written notification to the Contractor. The Contractor shall in such event promptly replace, correct, or repair the rejected supplies or services at the Contractor's expense.

(d) The certificate shall read as follows:

I certify that on (date), the (insert Contractor's name) furnished the supplies or services called for by Contract number via (Carrier) on (Identify the bill of lading or shipping document) in accordance with all applicable requirements. I further certify that the supplies or services are of the quantity specified and conform in all respects with the contract requirements, including specifications, drawings, preservation, packaging, packing, marking requirements, and physical item identification (part number), and are in the quantity shown on this or on the attached acceptance document.

Date of Execution:

Signature:

Title:

[End of Clause]

Name of Offeror or Contractor: CUMMINS ENGINE COMPANY INC

CONTRACT ADMINISTRATION DATA

PRON/		OBLG		JOB		ACCOUNTING		OBLIGATED	
LINE	AMS CD/			ORDER		STATION		AMOUNT	
<u>ITEM</u>	<u>MIPR</u>	<u>ACRN</u>	<u>STAT</u>	<u>ACCOUNTING CLASSIFICATION</u>		<u>NUMBER</u>			
0202AA	EH44E027EH	AA	1	97	X4930AC9D 6D	2571	S20113	W56HZV	\$ 2,078,266.00
	060015								
								TOTAL	\$ 2,078,266.00

SERVICE		OBLG		JOB		ACCOUNTING		OBLIGATED	
<u>NAME</u>	<u>TOTAL BY ACRN</u>			ORDER		STATION		AMOUNT	
Army	AA	97	X4930AC9D 6D	2571	S20113	W56HZV		\$ 2,078,266.00	
								TOTAL	\$ 2,078,266.00

<b>CONTINUATION SHEET</b>	<b>Reference No. of Document Being Continued</b> <b>PIIN/SIIN</b> DAAE07-96-D-T024/0153 <b>MOD/AMD</b>	<b>Page</b> 7 <b>of</b> 7
<b>Name of Offeror or Contractor:</b> CUMMINS ENGINE COMPANY INC		

LIST OF ATTACHMENTS

<u>List of</u> <u>Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number</u> <u>of Pages</u>	<u>Transmitted By</u>
Attachment 001	VTA903-T295 REMANUFACTURE SCOPE OF WORK		004	

V903-T295 Engine Remanufacture  
Scope of Work

This Statement of Work (SOW) will serve as the vehicle for tasking Cummins Inc. (Cummins) for the remanufacture of V903-T295 engines for the US Army or USMC, as needed. There is no time limit for this SOW; however, the included base engine pricing, option pricing, and engine replacement core charge list will be updated annually based on a fiscal year beginning January 1 and ending December 31.

The V903-T295 core for the engines to be remanufactured will be provided by the Government, and will be considered by Cummins as core material, and, therefore, will become the property of Cummins. Unusable core will require replacement either by providing a direct replacement for the unusable core (provide useable part), or by purchasing replacement core from Cummins at pricing included in the engine replacement core charge list below. Any core material not listed, is not replaceable with new and therefore will require replacement by the Government. Acceptable core includes complete V903-T295 engines with either alternator installation with the understanding that engine core provided with the older 60 amp alternator will incur higher core charges for the 200 amp replacement alternator and mounting hardware.

Cummins shall remanufacture the engines in accordance with corporate remanufacturing practices and standards. Upon completion of the engine remanufacture, Cummins shall be responsible for arranging shipping of the remanufactured engine to the location/address provided. Cost of transportation can be included in the Remanufacture/Conversion engine pricing, or funded separately. Delivery of the remanufactured engine(s) shall be negotiated at the time of purchase.

Cummins shall provide the remanufactured engine with a new serial number and the same base engine warranty as provided with new production engines. Estimated completion dates can be provided upon request. The agreed upon deliverable for each acceptable V903-T295 core engine (Cummins part number 903-295PLAC0, 903-295PLAS0 or 903-295PBAC0, 903-295PBAS0) shall be a remanufactured V903-T295 engine with the 200 amp alternator, returned as it came either on a skid (903-295PBAS0) or in a container (903-295PBAC0). It is understood that engines provided to Cummins as core material that do not have the 200 amp alternator (903-295PLAC0, 903-295PLAS0) will be upgraded to the model with the 200 amp alternator (903-295PBAC0, 903-295PBAS0) at an extra charge for this upgrade material, assuming the material required for the upgrade is either available for purchase or supplied by the Government.

Cummins can also provide refurbished PRM-1712 containers for engine core material provided to Cummins in used PRM-1712 containers. Used PRM-1712 containers as core for the refurbishing process will be provided by the Government, will be considered by Cummins as core material, and, therefore, will become the property of Cummins. Cummins will notify the Government of any unusable PRM-1712 container core.

The agreed upon deliverable for each acceptable PRM-1712 core container shall be a refurbished PRM-1712 container. Containers shall be refurbished in accordance with Department of the Army Technical Bulletin TB9-289, and marked in accordance with MIL-STD-129M.



\*\*\*\*\*THIS SECTION WILL BE UPDATED WITH CALENDAR YEAR 2004 FIGURES AS SOON AS THEY ARE AVAILABLE\*\*\*\*\*

Engine Replacement Core Charge List

Calendar Year 2003

VT A903-T295 Base Engine Remanufacture Price \$27,560.00

<u>Component</u>	<u>P/N</u>	<u>Core Value</u>
Cylinder Block	AR10035	\$ 7,503.23
Crankshaft	AR12976	\$ 2,425.16
Camshaft	3072869	\$ 545.46
Cylinder Head Castings	180102	\$ 997.88
Camshaft Gear	3031728	\$ 154.70
Connecting Rods	3073579	\$ 126.25
RB Valve Cover	3074616	\$ 0.00
LB Valve Cover	3074615	\$ 0.00
Vibration Damper	3552912	\$ 246.31
Rocker Lever Housing	3086378	\$ 141.91
Rear Crank Adapter	215633	\$ 104.66

Option Pricing

Refurbished PRM 1712 Container	\$ 3,010.50
200 AMP Alternator Conversion	\$ 5,550.00

REBUILD VS REMANUFACTURE

Rebuilding of a heavy duty Cummins engine (such as the V903) typically involves the replacement of wear components such as the engine bearings, piston rings, cylinder liners, etc. An extensive rebuild can also include requalification of some of the engine critical areas such as the upper and lower counter bore areas of the cylinder block for proper fit of the replaceable wet cylinder liners. Rebuild of major components is also typically a part of an extensive engine rebuild.

Cummins' shop manuals, available for the various model engines, provide the needed information for service re-use of certain components, and instructions for disassembly and reassembly of the engine. Rebuilding is typically performed in a job shop type of environment, even when fairly large quantities are involved.

Remanufacture of an engine is essentially restoring the engine to a like new condition. The single most important ingredient that segregates a new engine from one that is remanufactured is that the new engine cannot contain any used parts, whereas the remanufactured engine can.

Remanufacturing an engine includes inspection of all areas of wear, including areas of the engine that are known to wear after extensive operation that are not classified as wear areas in terms of rebuild. These areas, which include, but are not limited to, the turbocharger turbine and compressor casings, the water pump housing, certain areas of the cylinder block, etc., usually have some degree of wear due to relative movement of component assembly members from vibration or thermal expansion and contraction, and may have some minor damage due to contact with moving components that became excessively worn during operation, or failed.

During a remanufacturing process, such as that used by Cummins , areas where wear can occur are requalified to new engine condition. This can involve the addition of material, and then machining the component to new engine manufacturing print specifications, which requires access to Cummins' proprietary drawings. The entire engine work process is conducted in a mass production environment (as opposed to the earlier job shop environment), and the end product carries a warranty that is the same or similar to the new engine warranty.

The remanufacture of Cummins V903 family of engines is conducted in the same facility as is used for the production of new engines. A remanufactured V903 engine is assembled, tested, and finish processed using the same procedures, equipment, and personnel that are involved in the manufacture of a new V903 engine.

While there are many areas of detail that differentiate an engine rebuild from an engine remanufacture, the primary ones are the environment of the work (job shop vs. production) and the end level to which the product is taken (replacement of wear items vs. return to a like new condition), and the product warranty.

CORE QUALIFICATION

CORE ACCEPTANCE IS BASED ON AN EXTERNAL AND INTERNAL INSPECTION. CORE IS ACCEPTABLE IF CORE INSPECTION INDICATES FOLLOWING:

1. Core is complete with applicable engine component parts per Cummins Engine Company, Inc. specifications and drawings.
2. Primary engine and component castings are not visibly cracked, broken, or damaged.
3. Core is not damaged by non-operational causes such as rust, rough handling, or fire.
4. Core is free from all oils and fluids except for normal drainage that occurs during shipment. The condition relates primarily to engine containers provided for refurbishing that could container excess fluids which require proper disposal. An additional charge will apply if core does not meet this standard.
5. Core has not been subjected to any salvage techniques that would render critical areas out of dimensional tolerance or otherwise unusable.